

12-1953

Farm Outlook

Iowa Farm Science Editorial Board

Follow this and additional works at: <https://lib.dr.iastate.edu/farmscience>



Part of the [Agriculture Commons](#)

Recommended Citation

Iowa Farm Science Editorial Board (1953) "Farm Outlook," *Iowa Farm Science*: Vol. 8 : No. 6 , Article 8.
Available at: <https://lib.dr.iastate.edu/farmscience/vol8/iss6/8>

This Article is brought to you for free and open access by the Extension and Experiment Station Publications at Iowa State University Digital Repository. It has been accepted for inclusion in Iowa Farm Science by an authorized editor of Iowa State University Digital Repository. For more information, please contact digirep@iastate.edu.

Farm Outlook

BUSINESS activity, as 1953 draws to a close, continues at a high level. But there are indications that some segments are slipping.

Personal incomes continue high, and unemployment is relatively low. On the not-so-bullish side, retail sales in early fall didn't show the usual seasonal recovery. Manufacturers' new orders were off in early fall—chiefly as the result of the cancellation of orders for military equipment. Steel production edged lower, and businessmen began to reduce the rate at which they were accumulating inventories.

Following a long rise, the total in non-agricultural employment has now leveled off. Even more significant, there has been a grad-

ual drop in the number of hours of work per week. Overtime pay is being reduced. With this extra income not forthcoming, consumers will be forced to lower their living standards. And this will decrease the demand for goods all along the line.

Dairy . . .

Milk production per cow was at near-record levels this fall—despite drouth conditions. The seasonal downturn in milk production per cow during September was only about half of average. Total milk upturn in September was only 1 percent above the same month of 1952.

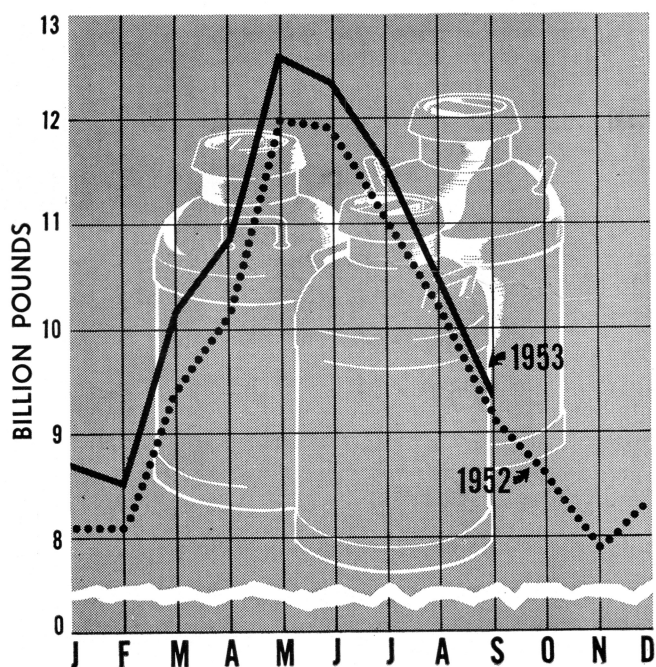
Dairymen have been feeding their cows at record rates. The

average cow in the United States consumed 4.59 pounds per day of feed grains and concentrates on Oct. 1 of this year. This compares with the previous record of 4.25 pounds on Oct. 1, 1949.

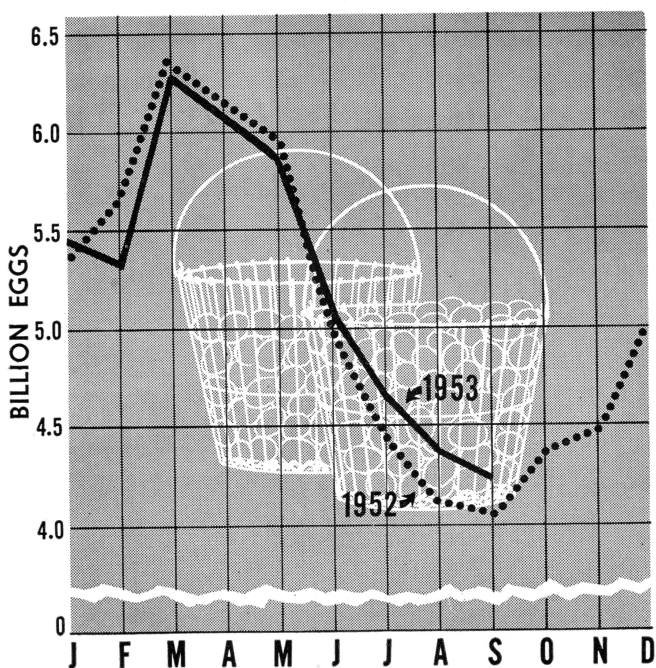
Milk flow in the United States rose from an annual rate of 110 billion pounds in July 1952, to an annual rate of 123 billion pounds last winter. This is the sharpest rise ever to occur in a comparable length of time. Production dropped this summer when pastures over the country as a whole were below normal, but the decline was slow.

Several things helped to bring about this sharp boost in milk output in late 1952 and early 1953. Beef prices slumped sharply. And, with them, down came

MILK PRODUCTION—United States



EGG PRODUCTION—United States



Cattle . . .

Total cattle numbers on Jan. 1, 1954, are expected to be about the same as on Jan. 1, 1953. It was the selling out of inventories of slaughter steers and heifers combined with the marketing of animals at a younger age that has halted the upward trend in cattle numbers.

However, information on the kind of cattle and calves being slaughtered this year indicates that the productive capacity of the cattle industry has not been reduced. Numbers of cows are being maintained or increased. Cattle slaughter in 1953 has consisted primarily of slaughter steers and heifers. Cow slaughter has increased—but by only a small percentage.

The sharp increase in cattle slaughter has pulled down cattle prices to the point where they no longer enjoy an unusual advantage compared with other parts of the farm business (see chart). It's becoming more and more apparent that the unusual prices that farmers received for cattle in recent years were the result of the sharp reduction in slaughter—even more than the result of the high level of consumer income.

the market values of dairy animals. This induced many farmers to keep their poorer cows. The number of cows on United States farms increased more than 2 percent in the second half of 1952.

There was plenty of hay available last winter; the quality was the best in years. Grain was fed at relatively high rates. What's more, weather was unusually mild during the winter over the country as a whole. Finally, the relatively sharp drop in cash receipts from many other farm enterprises influenced many farmers to milk cows—though they were not so inclined when cash incomes were higher. This was accomplished mainly by milking additional dual-purpose animals.

Looking ahead over the next 2 years, we can expect some further increase in the number of cows being milked. With net farm incomes dropping, many farmers will be encouraged to shift to milk production in an effort to maintain their cash receipts.

Supplies of feed and forage are large for the foreseeable future. And acreages shifted to grasses and pastures out of cotton and grain will result in some increase in the number of milk cows and in total milk production.

Eggs . . .

American poultrymen gathered fewer eggs during the first half of 1953 than in the same period of 1952. In turn, egg prices were sharply above those of a year earlier. In fact, March egg prices were the highest on record for that month.

By July, however, egg production was greater than in July of

1952. And egg output during the rest of 1953 has continued to run ahead of the same period a year earlier (see chart, page 23).

The total number of layers on farms is about the same as a year ago. But the rate of laying per hen has increased an average of about 2 percent each year throughout the last 10 years.

We had 3 percent fewer hens on farms Jan. 1, 1953, than at the same time in 1952. Yet, it now appears that total egg production this year will equal the record set in 1952. If this upward trend in rate of laying continues, egg production in 1954 would be slightly increased to a new record high.

The top line in the chart shows how cattle numbers tend to move in cycles. Lower line shows the ratio of beef steer prices to those of all farm products. Note that beef cattle are relatively favorable compared to other farm products when cattle numbers are low, and less favorable when cattle numbers are high. The ratio dropped in 1953.

